IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY APPLICATION No. 429 of 2006
In
COMPANY PETITION No. 221 of 2001

For Approval and Signature:

HONOURABLE MR.JUSTICE M.R. SHAH

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1 Whether Reporters of Local Papers may be allowed to see the judgment ?

2 To be referred to the Reporter or not ?

3 Whether their Lordships wish to see the fair copy of the judgment ?

4 Whether this case involves a substantial question of law as to the interpretation of the constitution of India, 1950 or any order made thereunder ?

5 Whether it is to be circulated to the civil judge ?

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TEXTILE LABOUR ASSOCIATION - Applicant(s)
Versus
O.L OF MAHESHWARI MILLS LTD. & 5 - Respondent(s)

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Appearance :

MR DS VASAVADA for Applicant(s) : 1,
OFFICIAL LIQUIDATOR for Respondent(s) : 1,
MR SUDHIR M MEHTA for Respondent(s) : 1,
SINGHI & CO for Respondent(s) : 2,
MR BH BHAGAT for Respondent(s) : 3,
NOTICE NOT RECD BACK for Respondent(s) : 4 - 6.

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CORAM : HONOURABLE MR.JUSTICE M.R. SHAH

Date : 29/09/2006

ORAL JUDGMENT

1.By way of present Judge's Summons, the applicant – Textile Labour Association has prayed for an

appropriate order directing the Official Liquidator of Maheshwari Mills Limited (in liquidation) to reverify the claim of the workers, whose names have been mentioned in the Judge's Summons.

2. It appears from the record that the present application is for about 22/24 workers of the company in liquidation, whose particulars are mentioned at Annexure – A (Page – 12) to the application. The Official Liquidator has submitted the report on the basis of the report submitted by the Chartered Accountant verifying the claims of each workman, which is seriously objected and disputed by the secured creditors. On 15th September, 2006, it was pointed out by Shri Sandeep Singhi, learned advocate appearing on behalf of one of the secured creditor that he has objections with regard to 44 months wages, amount of gratuity (with regard to some workers) and the retrenchment compensation. He has submitted that out of 24 workers, there is a serious dispute with regard to their entitlement qua approximately 22 workers. He

has demonstrated before this Court the dispute and has submitted that even on the basis of the record submitted by the very applicant, some of the workers have not completed 5 years. This Court is also prima facie satisfied with regard to the objections raised by the learned counsel appearing on behalf of one of the secured creditor. Under the circumstances, let the Official Liquidator reverify the claims of the respective workers for whose benefits the present application has been filed by some other Chartered Accountant. In the meantime, the secured creditors to submit their objections with the Official Liquidator preferably within a period of 4 weeks from today so that their objections also be sent to the Chartered Accountant, who is to reverify the claims of the respective workers. The Official Liquidator is directed to see that the new Chartered Accountant reverify the claim of respective workers and submit its report within a period of 3 months from today and thereafter, the Official Liquidator is directed to consider the said report and ascertain the

claims of the respective workers accordingly and submit the report before this Court for an appropriate order.

3.Shri Sandeep Singhi, learned advocate appearing on behalf of the secured creditor has submitted that in view of the above, the professional charges of the Chartered Accountant may not be paid. As and when an appropriate report is submitted for the purpose of making payment to the aforesaid Chartered Accountant who has earlier verified the claims and submitted the report, which is seriously disputed and objected to by the secured creditors, the said aspects will be considered.

4.With the above, the present application is disposed of.

[M.R.SHAH, J.]

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